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**DATEX COMPLETION REPORT
PREPARED BY DATEX, INC.**

DECEMBER 31, 1998

Development Alternatives, Inc.

USAID/Haiti Contract 521-0256-C-00-5059-00/521-C-00-95-00059-00

Office of Economic Growth

**Program for the Recovery of the Economy in
Transition (PRET)**

Project Number 5124

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SENT TO USAID 25/6/99

**Implementation of
USAID/HAITI's Program for the Recovery of the Economy in
Transition (PRET)
Project No. 521-0256-3-50135
Prepared by DATEX, Inc.
Under Contract No. 521-0256-C-00-5059-00
With Development Alternatives, Inc.**

December 31, 1998

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I. Introduction

DATEX, in collaboration with Development Alternatives Inc. (DAI), began implementation of the Haiti Promoting the Recovery of the Economy in Transition (PRET) Project on September 19, 1995, under U.S. Agency for International Development Contract No. 521-0256-C-00-5059-00. PRET is an expanded effort to improve the business environment of the Haitian private sector by creating a climate of cooperation between the GOH and the private sector. Part of this effort is to increase the availability of financial resources to microenterprises, women-owned businesses and other small businesses traditionally outside of the formal business sector and, consequently, disadvantaged in terms of access to both financial and non-financial services. As a subcontractor to DAI, DATEX was responsible for implementation of the non-financial services (NFS) component of the project.

The NFS component focused on strengthening sustainable employment generation and income levels in and by the private sector. This objective was to be achieved by increasing the productive capability (and therefore income levels) of small business and microenterprise by providing access to non-financial resources in the near-term. In order to complete the stated objective, PRET applied the following three approaches:

- To provide direct or indirect technical assistance and training to selected small businesses and microenterprises for the purpose of identifying market niches, upgrading technology, securing contracts, raw materials, and/or financing.
- To serve as an intermediary on behalf of small businesses, microenterprises or cooperatives for the purpose of developing new and improved products, expanding and identifying new markets, and the import of raw materials needed by microenterprises and export of products manufactured by microenterprises.
- To assist in identifying means to increase productivity of microenterprises, at all stages of product and service delivery, through workplace and marketplace improvement and increasing the incomes of workers and business owners.

This report is broken out into three sections. *Section I: Introduction* presents the background, goals and objectives of the NFS component of the PRET project, as implemented by DATEX, Inc. *Section II: Project Summary* provides a description of each the component's activities. It presents the impact and discusses the sustainability of each activity. *Section III: Project Highlights and Lessons Learned* contains highlights of the most significant elements, both positive and negative, of the non-financial service component.

II. Project Summary

From September 21, 1995 through February 28, 1997, Mr. Henri Lamothe served in the capacity of Small and Microenterprise Development Specialist. His original scope of work was to act as the main officer for the implementation of the enterprise development component. This included selecting and overseeing subcontractors who would deliver technical assistance, training, and market development support. He was to help coordinate activities under the non-financial component with the financial component and work with the credit specialist in determining viable business activities. Mr. Lamothe was also to provide direct technical assistance on a selected, limited basis. This scope of work was modified with the hiring of Mr. Lamonthé's replacement, Mr. Eric Bertheau, in April 1997. As the Non-financial Services Sector Manager, his scope of work was modified to focus on the implementation of the enterprise development component by providing direct technical assistance. He was tasked with the implementation of the following activities: a) the PRET Handicrafts website (Small Haitian Artisanal Linkage for Exports- SHALE), b) SOCOOP Ceramics Cooperative technical assistance, c) Centre for Management Productivity (CMP) training, d) *Institut National pour le Développement et la Promotion de la Couture* (INDEPCO), and e) Subcontracting. Mr. Bertheau also undertook a series of individual projects that were determined to further the goals of the PRET project, and, more specifically, to achieve the goals of the non-financial services component. Each project was presented, discussed and agreed upon between Mr. Bertheau and Mr. Rob Dressen, PRET Chief of Party. The following section provides a brief overview of the projects Mr. Bertheau worked on as Non-financial Services Sector Manager.

a) Handicrafts Website (SHALE: www.haitiancrafts.org)

Description One of the initial ideas of the non-financial services component was to establish a website to promote and facilitate the sale of Haitian artisan handicrafts. Mr. Lamothe created the SHALE website during his first year working with PRET. When Mr. Bertheau took over the non-financial service component in April 1997, the SHALE website was largely dormant, and no one on the PRET project had responded to the few inquiries that had been received. After conducting research on web pages and their associated marketing and linkage options, Mr. Bertheau developed a proposal for the expansion of the website.

The changes outlined in the website proposal were the following:

- Change the name of the website to "haitiancrafts" as a means to facilitate key word searches on the internet
- Replace the text with more marketing-type language and put all text into English and French
- Replace drawings and descriptions with digital photos of product samples
- Expand the page to include profiles of PRET partner workshops and certain artisans
- Humanize the page by including Eric's photo so that people would know that they were dealing with a person and not an organization when they contacted the web page

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- Create an "Artisan of the Month" to encourage people to return to the web site
 - List the website on a large number of web search engines

After these changes were made, interest in the website began to increase noticeably. There were between 100 and 150 inquiries that generally expressed a genuine interest in the site and its products. In order to streamline this process, Mr. Bertheau worked with the DAI computer specialists to create and implement an online order form that could be submitted directly by e-mail. This form has been particularly effective for repeat orders.

Impact In the first year that the Haitiancrafts website was online, orders totaled \$50,000. According to Mr. Bertheau's calculations, these orders resulted in 632 new jobs. This high volume of orders was due in large part to a single customer, Mr. Jeffery Cosnow. Mr. Cosnow, who owns handicrafts shops in Florida tourist areas titled Whimseys, contacted the PRET project through the Haitiancrafts website. Mr. Bertheau worked closely with Mr. Cosnow to teach him about the Haitian handicrafts industry, introduce him to the workshop managers and independent artisans, and supply him with a range of artisan products. Mr. Cosnow accounted for roughly 80-85% of the Haitiancrafts orders in a one-year period. However, he stated that he does not believe he would have entered the Haitian handicrafts market to nearly the same extent without PRET's assistance.

Mr. Bertheau and Mr. Cosnow worked out an arrangement where Whimseys would serve as a type of wholesaler for the Haitiancrafts products in the U.S. to service small orders. Since Mr. Cosnow had a large supply of all of the products already in his store, he agreed to take a reduced commission and fill any Haitiancrafts orders that were under US\$ 500. This arrangement will be critical to the long-term success of Haitiancrafts because of the large cost-savings and level of trust that it generates for many people visiting the website to see a direct connection to an U.S. businessman. This association lends credibility and legitimacy to the operation, which in turn reduces the fears that the money placed for their orders will not disappear.

Sustainability The Haitiancrafts web page is one of the most significant outcomes and legacies of the PRET non-financial services component, and a great deal of planning and effort went into ensuring its long-term survival. Sustainability is likely due to the following factors:

- The wholesaling arrangement worked out with Mr. Cosnow
- The Barbancourt Foundation assumed managerial control of Haitiancrafts on July 30, 1998
- The gradual increase over of product prices over the last months of the project's implementation to reflect their real costs plus 30% to replace previous PRET support

b) Subcontracting

Description Traditionally in the Haitian tailoring and fabrics industry, when customers place large orders, subcontractors are not utilized to meet the rapid turnaround deadlines. Potential subcontractors are individuals doing piecework in their homes. Given PRET's mandate to identify and create long-term employment opportunities in Haiti, this area was viewed as having

enormous potential because of the relationship and connection of subcontracting to micro and small enterprises and long-term employment opportunities.

Based on desk and field studies conducted by Dr. Galen Hull of DATEX, Mr. Bertheau determined that the most cost-effective way for PRET to create long-term jobs would be through the handicrafts factories and their associations with the small workshops. The vision behind this initiative was to improve production in the handicraft factories and to strengthen the sales and marketing of the products overseas. In order to be competitive in the international marketplace, the factories dealing almost exclusively with overseas customers are required to have a higher quality product. Thus, if PRET could help improve the quality of the products being provided by the small workshops and entrepreneurs, then a need would be created to link more small workshops to the factories to meet the escalating demand for high quality export products. Mr. Bertheau presented and refined this proposal. A strategy was finalized to disburse small grants, based on competitive proposals, that targeted methods to increase long-term employment opportunities, particularly for women, using the approach outlined above.

Core criteria were developed for reviewing and assessing proposals. The following factors were given primary weight in determining which of the requests for assistance were accepted or rejected:

- Investment vs. likely return
- Assessment of the national product per person
- Level of seriousness and commitment to the proposed project and the goals of PRET
- Location and/or scope of the project

Several initiatives were undertaken under this component. Each subcontracting initiative is outlined below.

- A. Vocational training was conducted for the small workshops to enable them to improve their product quality from the level of Haitian standards to export standards. Haitian factories are often forced to turn down large orders because they do not have enough qualified, high-quality subcontractors available. This program differed from the artisan training in that it taught the entrepreneurs and managers how to recognize and ensure that the types and quality levels of their products are viable for export.

Mr. Bertheau developed the vocational training materials and worked closely with the professors to establish the intended purpose and outcome. The professors then designed the training program. The vocational training functioned very much as a subcontractor. The professors obtained raw materials from the factories, which they in turn used to train the artisans. Factory foremen were used to coach the trainees. Then the finished and semi-finished products that were produced were returned to the factories that purchased them back at the added value.

- B. Management Training for handicrafts subcontracting was designed and implemented. The training program utilized the skills of a Haitian management professor to teach basic

management principles in Creole. He advised the entrepreneurs and artisans on how to keep the money they earned in their pockets. A highly successful component was a practical follow-on training conducted by students of the professor who conducted the original training. The teacher then hired his students to make follow-up visits to each of the trainees and to review the accounting and money management principles that they had learned in the context of their day-to-day reality.

- C. For those who had received the above management and/or vocational training described above, technical assistance and training was to be provided to the workshop managers to enable these entrepreneurs to successfully apply for PRET-guaranteed micro-loans, as implemented by DAI under the financial services component, for their workshop. Mr. Bertheau intended to work with the workshop managers who had undergone the PRET training on loan applications, to educate them on the responsibilities and requirements associated with the loans. Since these managers were directly affiliated with the PRET program, credit officers were to be more favorably inclined to lend because they knew that the workshops were subcontracting based on a more reliable and steady flow of orders.
- D. This previous and also the final initiative were not implemented due to the limited amount of time that remained in the non-financial services component and delays in USAID approval of the proposal. It had been planned to organize subcontractors into associations in collaboration with Asosye, the USAID Civil Society Project.

Impact The vocational training has created several hundred jobs for previously unemployed or underemployed people in small workshops, according to Mr. Bertheau's calculations. The factories increased their export orders due to the increased availability of high quality products. Follow-up interviews with the workshop managers on the impact of their management training indicated a high level of satisfaction and greatly improved ability to manage the financial aspects of their business. Twelve workshops received a micro loan from the PRET-assisted banks.

Sustainability The workers and small workshops received the training and initial marketing connections necessary to maintain the supply relationship begun under PRET. Jeffrey Cosnow, the largest client of the PRET project artisans, is now using the vocational training program as one of his suppliers. He has pledged to stay in contact with the trainers even after the PRET program has ended. In addition, one entire class of 36 trainees actually turned into a subcontractor to the major exporter of craft items. They are currently being managed by their trainer, who, after his working hours as foreman at the contractor, spends his evenings providing guidance to his work shop employees.

c) INDEPCO

Description INDEPCO is a national association of tailors. PRET provided several key contributions to the operations and management of this association. An initial short-term

technical assistance activity was implemented to assess INDEPCO's priority needs, which was used to determine the extent and type of PRET assistance. Technical assistance provided a range of support over a nine-month period and focused on improving systems for production quality control and budget control, as well as improving management and operations. Software programs were installed for bookkeeping, and the staff was trained in how to use the new systems. Training manuals for the factory workers were developed with PRET funding to teach the employees how to develop their skills from piecework to tailoring.

Impact. PRET's activities were instrumental in helping INDEPCO obtain two contracts from the Haitian Ministry of Education for 120,000 public school uniforms. Based on Mr. Bertheau's records, this activity successfully created 2,540 new jobs.

Sustainability The management personnel and staff of INDEPCO have received valuable training in a new skill and business area that they may continue to utilize to the benefit of the company. In addition, PRET's final assistance effort was to finance a marketing study to determine how best INDEPCO could access the private school market. Through the effective utilization of the insight gained in training, the participants should maintain long-term results.

d) INFOTEL '98

Description PRET participated in the Haiti Information and Communication Technologies Conference '98 (INFOTEL). The conference was an exposition for technology opportunities in Haiti. PRET attended in order to promote the Haitiancrafts web site and to attempt to locate a viable organization to take over management and implementation of the web site and the Haitiancrafts activities following project end.

PRET staffed a booth with a computer that displayed the Haitiancrafts website on line. Mr. Bertheau conducted a large number of radio and television interviews prior to INFOTEL, informing people about the website and why PRET was participating. He also conducted a press conference during the exhibit. As a result of INFOTEL, PRET received 15 phone calls of people interested in the website. The majority of these were individuals with experience in handicrafts, but who were unskilled in website maintenance. Others had purely commercial interests. However, the display caught the attention of the Barbancourt Foundation, a Haitian non-profit organization. Following discussions, an agreement was later reached with the Barbancourt Foundation for transfer of the website into their hands after the completion of the non-financial services component.

Impact. Due to the exposure of the website and the project as a result of INFOTEL '98, Mr. Bertheau was able to secure collaboration with The Barbancourt Foundation to sustain the website beyond the project's life cycle. The advantages of this partnership are significant. Barbancourt provides website expertise and computer capabilities. They have the built-in

credibility associated with a large, well-established organization and firm, which will serve to enhance the visibility and credibility of Haitiancrafts.

Sustainability As a non-profit organization, the Foundation will continue to preserve the artisans interests, eliminating any concern that the artisans' would be mistreated in order to increase profits. Furthermore, immediately following INFOTEL, the number of inquiries and orders through the Haitiancrafts website increased dramatically. This activity was one of the key steps in ensuring the sustainability of the Haitiancrafts website.

e) Jacmel Tourist Map

Description Mr. Bertheau played a critical role in the development of a tourist map for the coastal town of Jacmel, one of the few areas of Haiti that currently retains a viable tourism industry potential. The map highlights all of the hotels, restaurants, shops and local attractions. It was developed by a local artist, Cecilia Coraggio, using watercolors and artist's pencils to accurately portray the town beautifully with its identifiable local landmarks. The map is currently

being sold at the major hotels in Port-au-Prince, and will be sold throughout Jacmel as well. Copies of the map were also distributed to USAID staff and other USAID projects to increase its circulation and visibility.

Impact It is still too early to determine the impact of this activity, as the map has only just begun to be distributed. However, the initial feedback from the early distributions has been very positive and copies are being sold in the Jacmel and Port-au-Prince hotels.

Sustainability The map's production and the artist's time and supplies were funded by the PRET project. The map is being sold by the project for 25 gourdes, with a resale price of 50 gourdes. The copyright and photo CD of the graphic used for the map will be turned over to the Haitian Hotel Association. This project is expected to be sustainable. The inside covers of the map have intentionally been left blank for the moment to allow for future advertising space.

f) SOCOP

Description SOCOP, a ceramics cooperative in Cap-Haitien, makes ceramics products such as roof tiles, floor tiles, bricks, and fired clay. Mr. Lamothe had initiated the collaboration with SOCOP in order to attempt to market the cooperative's products in the U.S. Difficulties were encountered due to the fragility of ceramics during shipping. Mr. Bertheau was tasked with continuing this work when he replaced Mr. Lamothe.

Mr. Bertheau made an initial assessment of SOCOP and their situation. He determined that the cooperative was too chaotic, and that management was too underdeveloped to warrant spending

additional funds, as there was no measurable impact from what had already been spent. However, he did draft a list of items for SOCOB to focus on, which would improve their organization.

Impact Mr. Bertheau visited SOCOB a few months later and found that they had implemented several of the suggestions, quadrupled their staff (10 to 40 employees) and greatly improved their productivity.

Sustainability Not applicable.

g) Centre for Management Productivity -CMP

Description When the PRET project first began implementation, a one-day management course/seminar was developed by Lisa Matt, then Chief of Party, through the local Centre for Management Productivity (CMP). A contract between PRET and CMP was signed in September 1996 which entailed the Non-Financial Services Specialist to conduct numerous seminars over the duration of the project. One of the initial motivations for the training was for it to serve as a complement to the financial services component. The hope was that the Non-Banking Institutions (NBIs) with whom Juana Rodriguez, PRET Credit Manager, worked would adapt the training for their clientele. The goal was that every time an NBI issued a loan, the lendee would participate in the training. When Mr. Bertheau began work, there had only been three seminars conducted over the previous eight months. In September 1997 alone, shortly after joining PRET, Mr. Bertheau conducted eight seminars. With the approval of the COP, Mr. Bertheau made the decision to cancel this activity, for the following reasons:

- There was no way to track the impact or determine the results of the seminars
- There was no follow-up built into the activity
- PRET had to locate its own participants as no marketing was done by the CMP
- Each of the NBIs wanted the training adapted to their own specific program

The final outcome was that the contract between PRET and CMP was closed out. The initial down payment paid to CMP for the contract was sufficient to cover all costs that had been incurred to date.

Impact The impact of the training was impossible to measure as no follow-up or participant evaluation mechanisms were built into the activity.

Sustainability Program was cancelled as of July 11, 1997 with eleven training sessions remaining per the contract agreement.

h) Recycling

Description Haiti is plagued with waste due to the lack of efficient garbage disposal facilities and services, both formal and informal. In order to address this problem, Mr. Bertheau developed a proposal to collect the profusion of plastic bottles from the streets and recycle them.

Concern World Wide agreed to assist in collecting the first 40-foot container of material to be recycled. The 6,600,000 bottles that would need to be collected to fill the first five 40-foot containers with ground material would have put an estimated 1,500 unemployed people to work. People would be paid a price for turning in the bottles. These would in turn be sold and shipped by Europlast, based in Port-au-Prince, to either Ekon, a Dutch firm or US-based brokers.

PRET supported the visit of the manager of the Dutch firm to come to Haiti to conduct a feasibility assessment for the proposal. Mr. Bertheau and the USAID COTR participated in the assessment. It was unanimously agreed upon the assessment team that the recycling proposal was feasible and cost-worthy and that there were sufficient project funds for the initiative.

Despite these agreements, on September 23, 1997, USAID decided not to accept the recommendations made in the document that was sent to them on September 17. The reason cited was that the costs involved for efficiently recycling the necessary quantity of bottles and the related transport costs to ship the recycled material over to Holland to be reprocessed into new products, compared to the probable proceeds from these sales and the uncontrollable variables surrounding the sales price, would not make the recycling project profitable and therefore, not sustainable. At the urging of USAID, PRET submitted a revised proposal on November 25, which remains unanswered to date.

Impact Not applicable

Sustainability Not applicable

i) Mango Drying

Description In an effort to develop viable employment opportunities for women, a proposal was developed to assist mango drying of approximately 200 associated women in Maisade, near Hinche on the 'Plateau Central' to produce products for export. Multiple parties were involved in this project, including Save the Children, UNICEF, *Bureau de Nutrition et de Developpement* (BND) and Cesid (a USAID-financed NGO). Initial surveys identified several problems with the drying techniques, which often left the mangoes brown or with brown spots. Herman Verweij, a Dutch retired executive specializing in drying fruits and vegetables, was sent to Haiti by the Dutch company, Netherlands Management Cooperation Program (NMCP) program to assist PRET. Mr. Verweij suggested that the previously used wooden dryers be replaced by metal dryers. The consultant proceeded to design a metal dryer, based upon fast circulating hot air while avoiding direct contact with the sun. This new technique would also increase the number of mangos that could be dried

Impact As a result of Mr. Verweij's visit, two improved dryers were supplied to the women.

Sustainability If the women continue to use the improved dryers, it is highly likely that the project will have a sustained impact on their lives within the confines of their community. However, if the women are to expand their enterprise and become competitive exporters of dried

mangoes, they would require more dryers, which may not be financially feasible for them to obtain. Therefore, long-term results and financial sustainability are questionable.

j) Rodlene Paul

Description Ms. Rodlene Paul is a woman entrepreneur who employs and trains artisans to produce her handicrafts. She exports the goods produced in her workshops to the U.S. PRET has provided support to Ms. Paul through a number of mechanisms. The project financed and organized training for additional artisans. Ms. Paul received funding to attend the USAID-sponsored conference in Maine for women entrepreneurs and small and micro business owners. In addition, Mr. Bertheau arranged for Ms. Paul to display and present her products at an exhibition for a visit to Haiti by Hillary Rodham Clinton. Unfortunately, the First Lady's visit had to be postponed as a result of Hurricane George.

Impact Ms. Paul has established a solid export base of U.S. clients. Before PRET assistance she was having difficulties in filling large orders consistently. Now that she has been able to expand the number of artisans who she can work with and rely upon, her business has continued to grow.

Sustainability The PRET project was able to strengthen the tools that Ms. Paul has at her disposal. As a result, she has a very strong chance of continued to grow her business and succeed as an entrepreneur.

Mr. Bertheau initiated several other activities outside his SOW on a much smaller scale. These were all additional initiatives beyond the original scope of work for the Non-financial Services Specialist. These activities were the following:

k) Fruitomel (formerly known as Hydromel)

Description The Hydromel Cooperative in Cap Haitian collaborated with PRET in the marketing and distributing of their beverage, Fruitomel, made from honey, orange juice and water. Due to the limited possibilities to find new markets beyond its direct surroundings, the cooperative was put into contact with the USAID-financed Cesid program. Cesid assisted in the distribution of 120 bottles of the Hydromel product.

l) Caribbean Handicrafts SA (CAHASA)

Description CAHASA is a local venture producing handicraft products in metal, papier-mâché and wood and distributing them in Europe, the USA and the Caribbean. PRET provided

technical assistance and the necessary funding which allowed them to conduct training sessions for painters. The project was designed to achieve four objectives.

Train more than 40 professional painters of handicraft products and have them employed by CAHASA or as a sub-contractor to CAHASA

- 1) Sell a large quantity of finished products completed by the trainees during training to CAHASA to partly cover costs
- 2) Develop a prototype for training of artisans to be employed by the export sector
- 3) Structure and develop procedures for the implementation of sub-contracting units to exports-orientated companies

Impact After the first three-month period of the training program at CAHASA, the company employed 35 of the 40 trainees. Two pregnant women were promised a job once they delivered their babies, and the remaining three are being encouraged to help CAHASA execute its orders as local subcontractors. USAID approved the training of 80 more people, raising the number to 120 previously unemployed Haitians virtually guaranteed a job. Encouraged by these excellent training results, CAHASA decided to finance the additional training of 40 unemployed people itself, increasing the number of newly trained artisans to about 200, following the PRET initiative. Based on the model of CAHASA, subsequent training programs at Percy's Gift Shop, in Gressier, and Caribbean Marketing Group, in Kenskoff, created an additional 28 long-term jobs.

Sustainability The training program is not sustainable in and of itself. However, the results of the training program means that the trainees have a marketable skill and long term employment opportunities that were unavailable to them before.

m) APTECH Center

Description Working in close collaboration with a UNDP/ILO program, PRET gave technical assistance to a crafts center in Haiti's South-East. The intention was to assist in the creation of dozens of crafts jobs. Hampered in their economic development and having no access to relatively expensive vocational training to create new, commercially viable products, local artisans copied one another, thereby experiencing limited success in their marketing efforts. A training program was designed to instruct the artisans how to create unique products themselves. If this goal was achieved, the artisan sector would have the opportunity to break the vicious cycle that the lack of new and unique products created.

However, before PRET-UNDP/ILO could initiate this activity, USAID contracted a separate NGO, Aid to Artisans, to assist the APTECH Center, thereby eliminating any assistance from PRET.

Section III: Project Highlights and Lessons Learned

During the completion site visit in the September 1998 by the DATEX Home Office Project Manager, Mr. Bertheau discussed what he believed were the most notable aspects of the project and why. These are presented in this section.

a) Most significant initiative: Haitiancrafts Website

The haitiancrafts website is the most significant initiative undertaken by the non-financial component. It succeeded in getting people to work with relatively little investment. Furthermore, it has the potential to have a significant long-term impact on the sector. Even though the INDEPCO activity created the most jobs, that was an indirect result. On the other hand, the website has created an entirely new venue from scratch, providing increased visibility for USAID.

b) Most chance at sustainability: Haitiancrafts Website

The haitiancrafts website has most of the key components already in place. There is an established client base, equitable and reasonable prices have been set that cover costs and produce a small return profit for the craftspeople. Lastly, there is management in place through Barbancourt Foundation, with enough structure and resources to successfully continue beyond PRET support.

c) Most in danger of not being sustainable: Mango Drying

With regard to the mango drying, Mr. Bertheau is not certain to what extent the women will be able to sell their products at a profit without the project subsidizing their activities.

d) Most cost effective activity: INDEPCO

PRET spent roughly \$30,000 on the technical assistance and training for INDEPCO, and Mr. Bertheau and the COP spent relatively little time on this effort. Over 2,000 jobs were created in connection with the school uniforms and other new orders. Essentially for this activity, PRET spent approximately \$15 per person in order to teach them the skills to provide for themselves and their families.

e) Significant constraints to implementation:

The delays and sometime denials in the proposal approval process within USAID posed significant setbacks to the potential of PRET. A primary example of this was the inability of the contracts office to approve the recycling project despite the availability of funds, the technical approval of all parties involved, as well as the huge environmental and job creation potential.

f) Largest contributions to implementation:

Three factors were the largest contributors to the ability to implement this activity with a high degree of success. First, the support and guidance from the Chief of Party was instrumental for the development and implementation of the successful non-financial services activities. The COP gave Mr. Bertheau a great degree of freedom to explore and create approaches to meet the project goals, and then served as an effective sounding board for those ideas.

Second, the access to reliable and consistent e-mail and phone service at the PRET office was critical, as that constituted the major way in which business was conducted.

Finally, the success of the non-financial services component was due in large part to the innovative approach and hard work of Mr. Eric Bertheau. When he was brought into the project a little over a year into the scheduled activities, no deliverables had been met. However, his ability to adapt and evaluate this situation and the goals of the PRET project made him an invaluable asset to the success of the project.

This success is evident through the projects implemented by the Non-financial Services Sector component. As a direct result of Mr. Bertheau's efforts, 590 people started to work on a new job of an average duration of one year. This means that during 18 months of work, more than 30 people per month on average gained employment. Furthermore, Mr. Bertheau's efforts assisted a U.S. businessman, Mr. Cosnow, to expand the reaches of Haitian products into the U.S. market. According to Mr. Cosnow, this would not have occurred without Mr. Bertheau.

Mr. Bertheau routinely worked beyond his required SOW, as noted by both Mr. Rob Dressen and DATEX Home Office support, in order to identify multiple options for pursuing the PRET objectives. His self-motivation and ability to develop important relations with the artisan community contributed greatly to his capabilities. The close ties that Mr. Bertheau developed between the Haitian community, business and an USAID project are essential for the continued success and sustainability of future activities in Haiti.

Annex 1: Haiti PRET Contracted Deliverables and Project Product Index

Contracted deliverables:

- 1) A project activity report, due 30 days after completion of the activity
- 2) A Trip Report, due within 10 days after completion of travel
- 3) Completion Report

Index:

- 1) Bi-Weekly Professional Activities Reports from Eric Bertheau

#15	September, 30, 1998	#7	December 15, 1997
#14	August 8, 1998	#6	November 17, 1997
#13	June 15, 1998	#5	October 30, 1997
#12	June 1, 1998	#4	October 14, 1997
#11	May 17, 1998	#3	October 2, 1997
#10	March 31, 1998	#2	September 17, 1997
#9	March 16, 1998	#1	September 1, 1997
#8	January 30, 1998		July 31, 1997

- 2) Newsletters from Rob Dressen

#17	July, 1998	#10	January 4-17, 1998
#16	June, 1998	#9	December 7- 20, 1997
#15	May, 1998	#8	November 23- December 6, 1997
#14	April, 1998	#7	October 19- November 22, 1997
#13	March, 1998	#3	August 25- September 1, 1997
#12	February, 1998	#2	August 11- 18, 1997
#11	January 18-31, 1998		

- 3) Other

- a) Jacmel Tourist Map, July 30, 1998
- b) Guide to Subcontracting Initiative Under PRET Project, March 26, 1998
- c) Trip Report by Galen Hull, March 23, 1998
- d) Professional Activities Report: Non-Financial Services of PRET/DAI/USAID, April 1997- July 1998
- e) Quarterly Report - October - December, 1997

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- e) Quarterly Report- April- June, 1997
 - f) Quarterly Report- July- September, 1996
 - g) Semi-Annual Administrative Report- May- October, 1996
 - h) Quarterly Report- April- June, 1996
 - i) Quarterly Report- February- March, 1996
 - j) Quarterly Report- November, 1995- January, 1996
 - k) End of Service Report by Henri Robert Lamothe- March 12, 1997